VZCZCXRO5331 PP RUEHAG RUEHBI RUEHCI RUEHDBU RUEHLH RUEHPW RUEHROV DE RUEHAH #0903/01 2430800 ZNY CCCCC ZZH P 310800Z AUG 07 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC PRIORITY 9274 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY RUCNCIS/CIS COLLECTIVE PRIORITY RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY RUEHAK/AMEMBASSY ANKARA PRIORITY 2701 RUEHBJ/AMEMBASSY BEIJING PRIORITY 0528 RUEHKO/AMEMBASSY TOKYO PRIORITY 0402 RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHDC PRIORITY RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEHGV/USMISSION GENEVA PRIORITY 1306 RUEHVEN/USMISSION USOSCE PRIORITY 1760 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0536

C O N F I D E N T I A L SECTION 01 OF 03 ASHGABAT 000903

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STATE FOR SCA/CEN, EUR/RPM/OSCE, EEB, DRL

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TAGS: PREL PGOV PHUM EPET ECON TX

SUBJECT: TURKMENISTAN OFFICIALS TELL HELSINKI COMMISSION STAFFDEL GOVERNMENT WANTS TO CHANGE, ASKS FOR PATIENCE

REF: A. ASHGABAT 852

¶B. ASHGABAT 897

Classified By: Charge Richard E. Hoagland for reasons 1.4(B) and (D).

- 11. (C) SUMMARY: During an August 12-15 visit, a delegation of Helsinki Committee staffers saw evidence that Turkmenistan is beginning a slow and uneven, but undeniable, process of transition. In probably their best meeting, Turkmenistan's Deputy Foreign Minister Wepa Hajiyev offered a compelling argument that, while progress will be gradual, the leadership wants change and, to that end, is reviewing operations government-wide. He said the Turkmenistan government is working in a step-by-step fashion to create permanent, practical results. END SUMMARY.
- (U) Helsinki Commission permanent staff members Shelly Heald Han and Kyle Parker visited Turkmenistan August 12-15 to explore President Berdimuhamedov's progress in promoting political and economic reform since February and to promote greater transparency in handling hydrocarbon They met with Deputy Foreign Minister Wepa Hajiyev, Chairman of the Mejlis (Parliament) Committee on the Protection of Human Rights and Freedoms Juma Jumaev, Deputy Minister of Oil and Gas Bayramgeldy Nedirov, Deputy Minister of Economy and Finance Gurbanmyrat Gurbanmyradov, Justice Ministry Legal Assistance Department Head Gurbanniyazova and Registration Office Chief Serdar Valiyev, Deputy Chairman of the Council on Religious Affairs Nurmuhammet Gurbanov, and Director of the State Agency for Management and Use of Hydrocarbon Resources Bayrammyrat Myradov. Han and Parker also met separately with OSCE Human Dimension officer Benjamin Moreau and European Bank for Reconstruction and Development representative Tony Myron.

TRADITIONAL THINKING STILL ABOUNDS

13. (SBU) Some of the delegation, s meetings showed that

traditional thinking still abounds. At the Justice Ministry, Gurbanniyazova went to great length explaining the process for registering religious groups and NGOs, but, when questioned, insisted that no religious groups have had their registration applications rejected. Instead, applications judged as not complying with the regulations have been returned for reworking. However, she emphasized, the Ministry of Justice is always available to offer advice on what was needed to have the application finally approved. That said, she added, a previous denial of registration does not prohibit groups from reapplying, and groups, once they register grants or funding received from overseas, are free to use those funds.

- ¶4. (SBU) Similarly, at the Ministry of Oil and Gas, Deputy Minister Nedirov stressed that Turkmenistan needs alternative ways of exporting its hydrocarbons, its Caspian fields are open to foreign companies, and Turkmenistan is using its hydrocarbon revenues to better the life of the people. When Han explained the principles of the Extractive Industries Transparency Initiative (EITI), however, Nedirov flatly denied that there is any corruption in management of hydrocarbons revenue. All revenue goes to the government, he claimed, and Turkmenistan's system of administering those funds is "absolutely transparent."
- 15. (SBU) At the Ministry of Economy and Finance, Deputy Minister Gurbanmyradov stressed what the government is doing with its hydrocarbon revenue. It is seeking to extend electric lines to Afghanistan and Pakistan, as well as building the Atamyrat electric line; diversifying Turkmenistan's economy; and building or renovating Turkmenistan's railroads, highways and factories, with the

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goal of creating new jobs. Gurbanmyradov highlighted the new plans for establishing a free economic zone (FEZ) and glitzy resort in Turkmenbashy City's Avaza district as an example of how Turkmenistan is seeking to attract foreign investment. He stressed that, although foreign companies may not own land, the government is seeking to offer long-term leases and eliminate land taxes in the FEZ. However, Gurbanmyradov ducked a question from Parker on Turkmenistan's unemployment rate.

...AMID EVIDENCE OF A FRESH APPROACH AT THE MFA

- 16. (C) Some of the delegation's meetings stood out as examples of a genuine effort to connect with and respond to the staffers. For example, Deputy Foreign Minister Hajiyev offered a detailed list of the very real improvements that the government already has made in its first seven months under President Berdimuhamedov.
- -- Education. In addition to other changes, the leadership is paying special attention to attracting foreign teachers to Turkmenistan, and to using students who have returned from overseas programs.
- -- Access to Information. There is a new emphasis on publicizing all meetings and conferences with the goal of keeping the people better informed on what is happening. And, while the program to broaden public access to the Internet is still in the beginning stages, Turkmenistan is working to improve this sector.
- -- Human Rights. The government is working with international organizations to improve Turkmenistan's humanitarian sector. To that end, the government is reviewing freedom-of-movement issues and is allowing citizens to travel, established a commission for reviewing complaints against law enforcement bodies that led to the pardoning of 11 prisoners, and is working on a list of religious freedom initiatives that will be initiated with the visit of the UN Special Rapporteur on Freedom of Religion.

-- Legislative Revisions. The government is seeking to improve some of its legislation, and welcomes suggestions to that end.

"We are working in a step-by-step fashion to create permanent, practical results," Hajiyev said. However, he stressed, it is necessary when in a boat to make small, careful movements to reach the shore, or else the boat will capsize and fail to reach its goal. He urged the staffers to be patient and to "consult with us" before rushing to judgment.

17. (C) When Han raised concerns that some individuals were still having problems being able to depart Turkmenistan, Hajiyev stressed that the "current situation" on freedom of movement is quite different from that of a year ago. Only those individuals who may have committed crimes were being kept from traveling because they could do further harm to the country. "The fact that we are not using the same framework for all individuals is significant," Hajiyev said. The government solved a range of movement-related questions several months ago, and had reversed a previous decision prohibiting travel to whole categories of individuals. And, a thorough review is being carried out of all institutions' policies on a variety of questions, including freedom of movement. Hajiyev welcomed the delegation to raise specific cases if there were still problems. Noting that there are many possible explanations for government policies, he urged the delegation members to "consult with us" before making judgments. Han expressed the hope that changes would

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continue in a positive direction.

GAS AND OIL: NEW WAYS OF DOING BUSINESS

- 18. (C) At the State Agency on Use and Management of Hydrocarbon Resources, Executive Director Myradov unexpectedly appeared at the meeting, and said that his agency is new and dedicated to working with foreign hydrocarbon companies to establish production sharing agreements (PSAs). He noted that all PSA bids were closely vetted not only by his agency, but also by a special inter-agency commission that "forces us to justify our recommendations." He welcomed any training that the United States or any other country is willing to offer. Stating that a Trans-Caspian pipeline (TCP) is still on the table, he nonetheless criticized the U.S. response as disappointingly slow and insufficient.
- 19. (C) COMMENT: The fact that the Ministry of Foreign Affairs opened its doors wide to the delegation, notwithstanding past Helsinki Commission criticisms, and granted it every meeting it had requested demonstrates a genuine effort to change the way Turkmenistan does business. While it is clear that some agencies are further in the "renovation" process than others, we are encouraged by a statement by Hajiyev that the effort to renovate goes well beyond just the Foreign Ministry. We hope that the glimpses of new thinking that the delegation saw will spread and believe that a constructive, cooperative approach offers the best chance of achieving these goals. END COMMENT. HOAGLAND